GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

UNSTARRED QUESTION NO:2733
ANSWERED ON:21.03.2005
CALCULATION OF PRICES OF NON SCHEDULED DRUGS
Shakya Shri Raghuraj Singh

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) the role of monitoring of prices of non-scheduled drugs to the National Pharmaceutical Pricing Autnority(NPPA);

(b) the norms and basis on which maximum retail prices of a non-scheduled drugs is calculated in the country vis-a-vis scheduled drugs;

(c) the details of such exercises on pricing of non-scheduled drugs conducted by the NPPA during each of the last three years; and

(d) the reaction of the Government thereto?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS AND MINISTER OF STEEL (SHRI RAM VILAS PASWAN):

(a) to (d) In accordance with the provisions of the Drugs (Prices Control) Order, 1995, (DPCO` 1995) the Government fixes/revises prices of the drugs listed in its First Schedule and formulations based thereon. In case, there is any violation of the approved/notified price of a Scheduled formulation, action is taken under the provisions of the DPCO11995. Prices of non-Scheduled formulations are fixed by the manufacturers themselves keeping in view the various factors like cost of production, marketing/selling expenses, R&D expenses, trade commission, market competition, product innovation, product quality etc. The Government / National Pharmaceutical Pricing Authority (NPPA) regularly monitors the movement of prices of medicines of mass consumption marketed through trade channel and intervenes whenever instances of unreasonable increase in prices affecting public interest adversely are noticed.